BA (Hons) Leadership and Management Skills for the Workplace

Strategic Management for Business

LCLM6001

Ana Balteanu 2132981

Individual report

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Odd muse: Who they are and what they do

This report is going to analyse the strategic management of Odd Muse, which is considered a medium sized organization as of today, but has started as a micro-business during the covid-19 pandemic.

Odd muse operates in the fashion industry since 2020, when the founder Aimee Smale founded it. The headquarters of the company are situated in London, and it now estimates around 50-100 employees with an average annual income of around £20-25 million in 2024. This organisation is still privately owned with no major investors reported by the founder.

This fashion brand has started as a luxury/ affordable luxury womenswear, the founder has found a gap in the market, something not too expensive but that would look and feel like it, well-tailored and mostly price-wise accessible clothing for women.

The founder and current CEO of the company has invested as little as £12k capital to start this business, hoping that the elegant, high quality and timeless garments would catch people's eyes and become what it is these days, an established company that is stocking well known and popular outlets such as Flannels.

Their uniqueness comes from the position that they have put themselves is, which is neither fast fashion nor high luxury, as they have situated themselves right in the middle, offering durable garments that would dress their customers in their most important occasions, making them feel like wearing high-street clothing.

Because of the founders age, it makes most sense that their business strategy and marketing is based on social media advertising.

Odd muse's vision is to redefine women's fashion, empower women and make them feel confident and elegant.

They are currently successfully attaining their vision by following their objectives, so:

Promoting slow, investment fashion, making luxury accessible without compromising on quality, transparency, and low waste fashion.

"Odd Muse is about buying less, but better- every piece is made to last" - Aimee Smale, founder.

Organisations competitive positioning

What has helped the organization become so well-known and successful, is their innovative approach, their versatility and their distinctive style. Analysing the organization's competitive position, what has emerged is that Odd Muse stands out from the rest of the industry by being bold and using their unconventional identity, the unique brand identity that pleads to their customers that seek originality, quality and freshness in their wardrobe.

The organisation excels on the creative platform as well, bringing innovative content and emphasizing on their great quality, putting themselves a step ahead of the rest of the companies that most likely still use a traditional approach to advertise and sell their product.

The organisation is also flexible and adaptable to any occurring situation; in fact, it showcases great agility in responding to the fast-evolving industry, as well as their client needs and wants. By doing this, they have built a strong portfolio and a great relationship with their clientele, by delivering diverse garments and great quality.

The vision of the brand is to shape cultural trends and be recognized worldwide. Because of the young age of the director of the company, digital storytelling and technologically advanced content comes up as easy and eye-catching for their chosen niche.

So, as the organisation's main vision would be to become a pioneering leader in innovative fashion, pushing boundaries and inspiring society worldwide.

The objectives of the company are to be able to craft timeless fashionable women garments that stand out for their great quality, comfort, durability and fashionable design, not compromising on having to set the price too high.
The company also claims the importance of their ethical manufacturing and their sustainability, reducing environmental impact.

Environmental Scan and Competitive Positioning of Odd Muse

Internal Environment

SWOT Analysis

The strengths of Odd Muse as a company are:

- High quality of their products (differentiation from other fast fashion brands)
- Broad customer base (affordable price)
- Timeless design
- Strong brand mission (sustainability and durability)
- Customer loyalty
- Online presence and e-commerce growth to reach a wider audience globally. Among the companies' core assets is its highly skilled and innovative team of designers, digital strategists, and immersive media specialists. This allows Odd Muse to craft

original, engaging, and boundary-pushing content that differentiates it from competitors (Hitt, Ireland & Hoskisson, 2017).

Weaknesses analysed:

- Profit margin could be impacted by the high cost of production due to the high-quality materials
- Limited brand recognition compared to established fast fashion brands.
- Challenges in scaling production while trying to maintain quality standards and ethic As a small or mid-sized enterprise (SME), resource constraints restrict large-scale project capacity and rapid deployment, impeding growth opportunities.

Opportunities:

- Customer interest in sustainable and ethical fashion in growth.
- Expansion into new market or product lines, collaboration with known influencers
- Eco-conscious initiatives to enhance brand visibility
- Explaining the benefits of investing in durable, long-lasting apparel.

Threats:

- Fast fashion brands competing by offering lower prices at faster pace.
- Economic episodes that could affect customers and their consumer spending on higher-quality, longer-lasting garments.
- Fluctuations in raw material costs, impacting production expenses.
- Fashion trends changing rapidly that may influence consumer preferences away from timeless styles.
- Potential challenges in maintaining affordability while ensuring quality.

PESTLE Analysis

Political Factors

~ As the company is based in London, Brexit and trade relationships impact all that means import/export, for example if they are sourcing their materials abroad. Low tariffs can help lower the costs as well, on the other hand, trade restrictions can increase them. What can have an impact on price can also be regulations and compliances, as UK employment laws, health and safety regulations, and consumer protection laws influence operational practices, pricing, and marketing.

+ A stable political environment in the UK fosters consumer confidence and smooth business operations. The UK Government also supports small and medium-sized enterprises (SMEs) by offering initiatives and grants promoting sustainable fashion, so can benefit Odd Muse’s growth strategies.

Economic Factors

Economic downturns or recessions can reduce consumer spending on fashion, particularly higher-margin or specialty brands. Fluctuations in GBP impact import costs, mentioned before, especially for materials sourced internationally, as rising costs of raw materials, staffing, and logistics influence pricing and profit margins. Market trends, as it is based on London, its status as a fashion company means there's a large, competitive market of consumers and retailers, which can present opportunities but also intense competition.

Social Factors

London's diverse culture influences fashion preferences, favouring innovative, bold, and timeless clothing styles, at the same time, consumers demand for ethically produced sustainable fashion is in high increase, influencing brands positioning and product lines. Another factor can be the fall of remote working and casual dress codes post-pandemic, affecting product offerings and marketing strategies.

Technological Factors

The growth of online shopping and social media marketing offers direct channels for consumer engagement and selling.
Data & Personalization: Big data analytics enable tailored marketing offers and personalized shopping experiences.

Environmental Factors

Eco-conscious consumers expect brands to prioritize sustainability, requiring eco-friendly materials, ethical supply chains, and transparent practices.
Climate Change: Weather patterns can influence fabric availability, supply chains, and product demand (e.g., hotter summers increase demand for lighter clothing). Laws on waste management, carbon emissions, and sustainable sourcing affect operational procedures.

Legal Factors

Consumer Rights & Safety Regulations: Compliance with UK Consumer Rights Act demands clear labelling, fair advertising, and return policies. Protecting their designs and trademarks is essential as well, to prevent counterfeit or imitation. Customs regulations and tariffs on imported fabrics or finished goods must be adhered to. Compliance with UK employment standards and working conditions, as mentioned before, impacts HR policies.

Certainly! Here's an analysis using the **Ansoff Matrix** to identify potential growth strategies for Odd Muse, the London-based clothing company.

Using the Ansoff Matrix to Identify Growth Opportunities for Odd Muse

The Ansoff Matrix is a strategic tool that helps companies determine a potential growth strategy, analyzing their product and market options. The four key strategies are:

Market Penetration: Selling existing products to existing markets, so trying to increase sales of their current products within current markets.

The organization could try to enhance their marketing efforts to boost their brand awareness by implementing discount campaigns, which they don't really act upon at the time being, as well as creating a loyalty programme.

Lower risk; utilizing their current competencies and customer base.

Market Development: Selling existing products to new markets.
Geographic Expansion: Explore international markets, such as Europe, North America, or Asia.
Target new customer niche markets such as eco-conscious consumers.
Distribution channels: Partner with international retailers or online marketplaces like ASOS, Zalando, or Amazon to reach global consumers. This could help the company by diversifying customer base, with a growth potential by tapping into new markets.

Product Development: Creating new products for existing markets.
The organization could launch new clothing lines such as streetwear, athleisure, or sustainable collections—that align with current market trends.
Incorporate innovative fabrics, such as eco-friendly textiles.
The brand could develop collaborations with local artists or brands to offer exclusive limited editions, boosting excitement among customers. By doing this, the organisation could increase revenue from existing customers who are interested in new styles but also enhance brand relevance. This strategy requires investment in design, marketing, and supply chain adjustments, bringing the risk of poor market reception.

Diversification: Developing new products for new markets.
The company could branch out into accessories or footwear, in that way they could also complement in their clothing lines, offering a head-to-toe Odd Muse outfit for their loyal customer base. They could also branch out for special campaigns with activewear or tech-enabled apparel, targeting a different niche.

This gives high growth potential spreading risk across different product lines and markets, also being the riskiest option requiring significant investment in R&D, marketing, and understanding new customer needs.

Recommended Growth Strategy for Odd Muse

Considering where the organisation currently sits and their company profile, Market Development stands out as an optimal growth choice. It does not require a big investment as it leverages on their existing products and brand appeal but opens new avenues for revenue. This is sustainable because London, which is where the organisation is based, is a fashion capital with strong influence. By extending internationally, the brand could grow without overextending current operational capacity. Digital marketing and e-commerce facilitate relatively low-cost expansion into new territories, making it feasible for an SME.

Stakeholder Analysis

Stakeholder group	Power level	Interest level	Mendelow's MATRIX	Influence	Strategy
Investors	High	High	Manage closely	High profitability, brand value, sustainable growth	Communication, strategic investments
Customers	High	High	Manage closely	Sustainable	Innovation, quality
Regulators	High	Low	Keep satisfied	Legal compliance, labour standards	Compliance on both ways, report when due
Suppliers	Moderate High	High	Manage closely	Reliable partnership	Strong supplier relationship
Employees	Moderate	High	Keep satisfied	Good working conditions, good wages	Good communication and work environment
Environmental groups	Moderate High	Moderate	Keep satisfied	Transparency, eco friendly	Report when due, adapt to sustainable activities
Local community	Low	Moderate	Keep informed	Community engagement, job vacancies	Closely engage
Influencers	Moderate	High	Keep informed	Brand activism, marketing	Promoting online
Minor suppliers	Low	Low	Monitor	Fair dealings in case of	Maintain good relationship in case of
Competitors	Low	Low	Monitor	Market trends	Monitor changes

The organisation needs to prioritize relationships with high power, high interest stakeholders and maintain a good relationship with their employees and suppliers, major or minor. The company also needs to comply with its regulatory 100% of times. To be able to have a continuous growth, Odd Muse London should be able to engage with their customers through their products maintaining them innovative, trendy, qualitative and ethical.

Key Strategic Recommendations for Odd Muse London

The organisation should focus on sustainability, ethical sourcing, and innovative fashion, while keeping and maintaining their uniqueness, quality and style that differentiates them from the rest.
If they ever encounter the challenge of limited brand recognition, they could address it by creating a brand story aligned with their values.
The organisation already has a really big online presence, but they could enhance their digital presence and E-commerce capabilities by investing in digital marketing strategies to reach wider audience.
They could make the brand bespoke and more known by partnering with established online marketplaces as mentioned above.
They could build strategic relationships, by partnering with sustainable suppliers, local artisans, and eco-fashion bloggers, the company could form alliances with other SMEs in order to share resources, knowledge, and market access.
To maintain agile and flexible operations, they could adopt lean management practices to minimize waste and maximize efficiency, by using flexible supply chains to respond quickly to changes in fashion trends and changes in customer preferences.
The organisation should be able to secure their funding by exploring funding opportunities from various sources, which may include government grants, angel investors, or crowdfunding for sustainable businesses, while also practicing disciplined financial planning in order to enhance cash flow stability and investment readiness.
Odd muse as a company should focus on sustainability and ethical behavior, as this can be a differentiator and help meet ever-increasing regulatory and consumer expectations.

Challenges SMEs Encounter and How to Overcome Them:

If the company ever encounters a problem with the limitation of resources, they could focus on strategic initiatives, high-impact activities that are in line with core competencies.
Limited scale and market reach: This can be extended cost-effectively through digital marketing, social media, and online retail.
An issue that SMEs meet is the access to funds, which they can overcome by engaging with the impact investors and participate in various support programs of the government.
The company need to be able to be flexible in their operations, while maintaining a lean organizational structure, to adapt quickly to market trends
Final Advice:
Regularly revise the strategic plan to take into consideration market feedback and internal capabilities. This will allow Odd Muse London to have a clear short-term roadmap that aligns with the long-term vision while affording it flexibility to manoeuvre through challenges and realize growth opportunities.

Conclusion

Therefore, Odd Muse London needs a visionary strategic approach while operating in the ever evolving and competitive fashion industry, in accordance to emerging market trends, consumer preferences, and expectations toward sustainability. As a growing SME, the business entity encounters specific challenges that include limited resources, restricted market reach, and operational constraints that could challenge the execution of the strategic vision. These challenges will need to be addressed by a carefully developed set of recommendations tailored toward achieving sustainable growth and competitive advantage.

The strategic focus should be on its positioning in the niche market. This brand can emphasize their garments as sustainability, ethical sourcing, and innovative designs to differentiate it in a competitive marketplace. they could share this through compelling branding and storytelling, that can connect with consumers, which in turn strengthens customer loyalty and expands brand awareness. Moreover, digital channels will be important in reaching audiences without many of the costs required to expand into traditional retail channels: an e-commerce platform, supplemented by social media. Market penetration can be further improved by developing a robust online presence and partnering with established online marketplaces.

Strategic partnerships can help exceptionally with growth. Partnerships with environmentally friendly suppliers, local artisans, and influencers in sustainable fashion help Odd Muse London gain access to new resources, capabilities, and credibility in the ethical fashion marketplace. These can also provide a further boost toward operational efficiency and innovation, enabling quick responses to changing fashion trends and consumer preferences. Lean management practices and flexible supply chains will be necessary to maintain agility; lean methods minimize waste, simplify operations, and enable quick reactions to changing market conditions.

The areas of financial management are also very critical. SMEs often face challenges in accessing capital; hence, diversified funding options through government grants, impact investors, angel investors, or crowdfunding become important ways to scale business activities. Continued disciplined financial planning and cash flow management will be important in ensuring stability for the organization while it invests in key growth initiatives.

Talent development also plays a very significant role in the implementation of strategic objectives. Creating a team with added skills in fashion design, sustainable practices, and digital marketing would drive innovation and assure continuity of competitive advantage. Creating an environment of continuous learning and innovation within the organization can further assist in bringing corporate culture change and adaptation-a cardinal virtue to ensure long-term success.

Finally, the cornerstone of Odd Muse London's strategy must be to emphasize sustainability and ethical practices. In an environment where regulatory standards are increasing and consumers are becoming increasingly aware, transparent sustainability reporting and eco-friendly sourcing will not only meet compliance criteria but also act as strong differentiators. This commitment to social responsibility will build a level of trust and improve brand reputation—both invaluable assets within the fashion industry. Therefore, while SMEs like Odd Muse London face key challenges, they equally possess unique opportunities for carving a definite market niche through strategic focus and agility. By placing targeted emphasis on sustainable and ethical positioning, development of the digital presence, strategic partnerships, and resource management, Odd Muse London can fulfill its long-term vision as an industry leader in sustainable fashion. The need for continuing evaluation and adaptation of the developed strategies to stay ahead is by far indispensable in an increasingly competitive industry. With a set roadmap and steadfast commitment to core values, Odd Muse London has all it takes to create sustainable growth and take full advantage of long-term success.

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